

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Costa Rica

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US Beef Exports Are Growing

Report Categories:

Livestock and Products

Agriculture in the News

Export Accomplishments - Other

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Report Highlights:

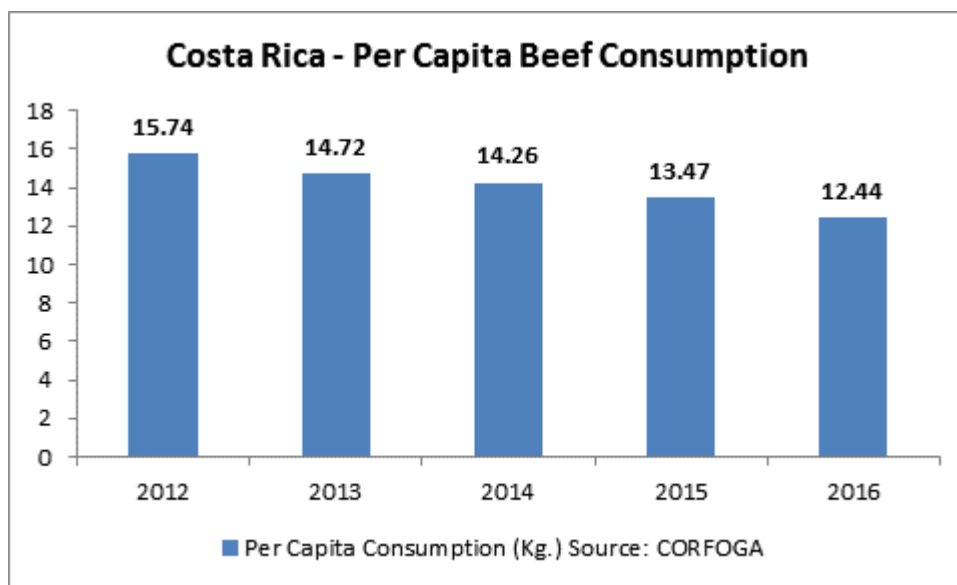
According to U.S. Customs data, U.S. exports of beef and beef products to Costa Rica reached a record \$15.1 million in 2016 – significantly higher than the \$1.7 million exported in 2009 - the year CAFTA-DR entered into effect in Costa Rica. During the last four years, beef imports have nearly doubled according to the Cattle Promotion Corporation (CORFOGA).

General Information:

Imported beef is becoming increasingly present in retail stores and fine restaurants throughout Costa Rica. Between 2012 and 2016, beef imports have nearly doubled according to the Cattle Promotion Corporation (CORFOGA).

CORFOGA data shows that Costa Rica imported 4,731 metric tons of beef in 2010. During the first 11 months of 2016, total beef imports reached 9,406 MT valued at \$50 million. This trend in beef imports is accompanied by a decrease in slaughter numbers of animals at the national level. The number of animals slaughtered in Costa Rica fell by 17.5 percent from 2012-16. In quantity terms, 384,230 head were slaughtered in 2012 while in 2016, that number fell to 317,027 head.

At the same time, per capita beef consumption fell in Costa Rica during the same period analyzed. In 2012, per capita consumption totaled 15.74 kilograms per year. In 2016, that number fell to 12.44 kilograms.



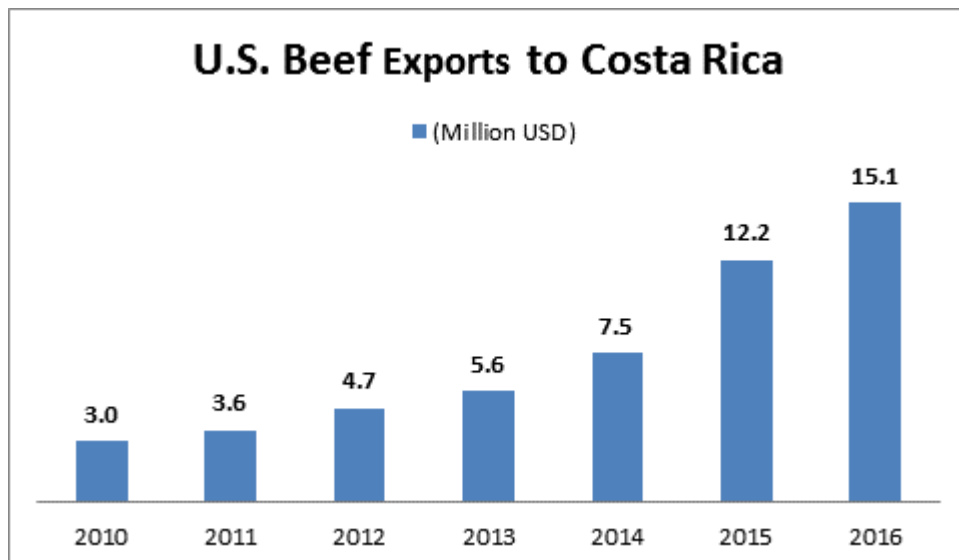
President of CORFOGA Leonardo Luconi explained that there are two ways to interpret the slaughter numbers. He said that the one way of looking at the numbers is positive in nature. During 2016, the slaughter of bulls declined by just 1.8 percent - a relatively small number. In contrast, the slaughter of heifers fell by 20 percent in 2016, which would indicate that cattle breeders are choosing to keep their females for breeding with the goal of increasing the size of their herds.

The other way of looking at the slaughter numbers is negative. There is a sustained decline in the cattle herd in Costa Rica, something that is cause for concern for CORFOGA representatives. The Ministry of Agriculture and Livestock (MAG) and CORFOGA are currently developing a pilot project to improve ranch productivity in the country. Minister of Agriculture officials recently stated that they weren't sure what caused the smaller slaughter numbers in 2016 but suspects that the

impact of the drought in the Northern Pacific region between 2013 and 2015 probably affected the availability of beef cattle. Ranchers in that region suffered the effects of an extended drought and some ranchers had to choose between slaughtering their animals and renting expensive land in other areas of the country.

Regarding Costa Rican beef imports, CORFOGA's data indicates that 56 percent of the beef import volume between January and November 2016 came from Nicaragua, 23 percent from the United States and another 21 percent from Chile. Beef imports from Nicaragua and Chile enjoy duty-free access as a result of the Central American Common Market and the Costa Rica-Chile Free Trade Agreement, respectively. U.S. imports of choice and prime cuts also enjoy duty free access under CAFTA-DR.

According to U.S. Customs data, U.S. exports of beef and beef products to Costa Rica reached a record \$15.1 million in 2016 – significantly higher than the \$1.7 million exported in 2009, the year CAFTA-DR entered into effect in Costa Rica. U.S. beef export volumes have grown 238 percent from 657 metric tons in 2010 to 2,222 metric tons in 2016.



U.S. Beef Exports to Costa Rica

■ Volume (MT)

